

AMENDED IN SENATE APRIL 23, 2013

**SENATE BILL**

**No. 35**

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**Introduced by Senator Pavley**

December 4, 2012

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An act to add Article 10 (commencing with Section 66090) to Chapter 2 of Division 5 of Title 3 of the Education Code, relating to higher education.

LEGISLATIVE COUNSEL'S DIGEST

SB 35, as amended, Pavley. Higher education: energy conservation.

Existing law, until January 1, 2016, requires the State Energy Resources Conservation and Development Commission to enter into an agreement with the Regents of the University of California, the Board of Trustees of the California State University, and the Board of Governors of the California Community Colleges for the expenditure of the petroleum violation escrow funds to supplement other available funds to improve energy efficiency at the state-supported universities and colleges.

This bill would require the Board of Trustees of the California State University and the Board of Governors of the California Community Colleges, and would request the Regents of the University of California, to each develop and administer a Systemwide Energy Solutions Action Plan that provides a near- and long-term strategy for assessing, evaluating, contracting for, overseeing, auditing, measuring, and communicating publicly concerning energy savings projects, as defined. The bill would establish the Higher Education Energy Solutions Fund in the State Treasury and would require moneys in the fund, upon appropriation by the Legislature, be used for the development and implementation of the plans. The bill would require, before January 1,

2014, and January 1 of each year thereafter, each segment of public postsecondary education, if it receives moneys from the fund, to submit to the Legislature a report describing the disposition of the moneys received in the previous calendar year and the planned expenditures for the following calendar year.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. (a) The Legislature finds and declares all of the  
2 following:

3 (1) ~~The~~ California's public colleges and universities are decades  
4 old, inefficient, and in need of renovation, and as a result, a  
5 constant strain on the fiscal health of California's higher education  
6 system due to excessive energy-related expenditures.

7 (A) Sixty percent of the buildings of the University of California  
8 are more than 30 years old, with many having been constructed in  
9 the 1950s and 1960s.

10 (B) More than half of the existing facilities of the California  
11 State University are over 28 years old.

12 (C) Seventy-four percent of the existing facilities of the  
13 California Community Colleges are over 25 years old and 60  
14 percent are over 40 years old.

15 (2) The University of California and the California State  
16 University systems account for approximately 5 percent of all  
17 commercial energy consumption in California, representing not  
18 only a significant cost to the state's public universities, but also a  
19 major greenhouse gas reduction opportunity.

20 (3) The budgetary savings that could be achieved with  
21 significant near-term investments in energy efficiency and clean  
22 energy would provide long-term General Fund relief, reduce the  
23 need for tuition fee increases, and further enhance the ability of  
24 California's colleges and universities to provide quality, accessible,  
25 and affordable higher education.

26 (4) The Regents of the University of California, the Board of  
27 Trustees of the California State University, and the Board of  
28 Governors of the California Community Colleges have already  
29 adopted energy, sustainability, and climate solutions policies that  
30 establish usable institutional frameworks and guidelines for

1 implementing and administering greater investment in energy  
2 efficiency and clean energy.

3 (5) It is in the public interest of the state to reduce energy  
4 consumption from colleges and universities, especially through  
5 building retrofits that achieve deep levels of energy efficiency  
6 improvement, including those called for in the Long-Term  
7 Efficiency Strategic Plan adopted by the Public Utilities  
8 Commission.

9 (b) It is the intent of the Legislature to enhance access to, and  
10 the quality of, higher education in California, while also stimulating  
11 near-term job creation and reducing greenhouse gas emissions, by  
12 providing financial assistance to universities and colleges to invest  
13 in cost-reducing energy efficiency retrofits, clean energy  
14 installations, and other energy system improvements.

15 SEC. 2. Article 10 (commencing with Section 66090) is added  
16 to Chapter 2 of Division 5 of Title 3 of the Education Code, to  
17 read:

18  
19 Article 10. Systemwide Energy Solutions  
20

21 66090. For the purposes of this article, “energy savings project”  
22 means a measure, program, activity, or expenditure that results in  
23 energy savings, greenhouse gas emissions reduction, and budgetary  
24 savings, through investments in clean energy, as defined in Section  
25 26220 of the Public Resources Code.

26 66091. (a) The Board of Trustees of the California State  
27 University and the Board of Governors of the California  
28 Community Colleges shall, and the Regents of the University of  
29 California are requested to, each establish a special subcommittee,  
30 which shall each develop through a public process and administer  
31 a Systemwide Energy Solutions Action Plan that provides a near-  
32 and long-term strategy for assessing, evaluating, contracting for,  
33 overseeing, auditing, measuring, and communicating publicly  
34 concerning energy savings projects.

35 (b) ~~(1)~~ Each special subcommittee shall include experts in  
36 energy efficiency, job creation, greenhouse gas management, and  
37 finance and accounting, and at least one student member.

38 ~~(2) In developing their plans, the subcommittees shall consult~~  
39 ~~with the State Energy Resources Conservation and Development~~  
40 ~~Commission and the Public Utilities Commission.~~

1 (c) In developing their plans, the California State University  
2 and the California Community Colleges shall, and the University  
3 of California is requested to, consider all of the following:

4 ~~(1) A variety of project types, including those that result in quick~~  
5 ~~energy cost savings that exceed the cost of the project within 48~~  
6 ~~months of the initial deployment of the project, and those that~~  
7 ~~result in larger, longer term cost savings.~~

8 ~~(2) Strategies to complement and leverage existing institutional~~  
9 ~~partnership programs being implemented by investor-owned~~  
10 ~~utilities.~~

11 *(1) Energy savings plans and projects consistent with the state's*  
12 *loading order, as described in the Energy Plan II jointly adopted*  
13 *by the Public Utilities Commission and the State Energy Resources*  
14 *Conservation and Development Commission, and that are cost*  
15 *effective, reliable, and feasible, with total energy savings benefits*  
16 *exceeding project costs.*

17 *(2) Consulting with electric and gas corporations and publicly*  
18 *owned utilities that serve the campuses in the development of all*  
19 *energy savings plans and projects.*

20 (3) Opportunities to further the purposes of the California Global  
21 Warming Solutions Act of 2006 (Division 25.5 (commencing with  
22 Section 38500) of the Health and Safety Code).

23 (4) Opportunities to establish public-private partnerships in the  
24 development and implementation of the plan.

25 (5) Relevant elements of the Long-Term Energy Efficiency Plan  
26 and the regulations adopted pursuant to Section 25943 of the Public  
27 Resources Code.

28 (6) Opportunities to promote student involvement, job training,  
29 and workforce development in the development, design,  
30 deployment, evaluation, and measurement of energy savings  
31 projects.

32 (d) Before January 1, 2014, and before January 1 of each year  
33 thereafter, the University of California, the California State  
34 University, and the California Community Colleges shall, if it  
35 receives funding from the Higher Education Energy Solutions  
36 Fund, submit to the Legislature, pursuant to Section 9795 of the  
37 Government Code, a report describing the disposition of funds  
38 received in the previous calendar year and the planned expenditures  
39 for the coming calendar year.

1     66092. The Higher Education Energy Solutions Fund is hereby  
2 established in the State Treasury. Upon appropriation by the  
3 Legislature, moneys in the fund shall be used by the Regents of  
4 the University of California, the Board of Trustees of the California  
5 State University, and the Board of Governors of the California  
6 Community Colleges to implement this article and the Systemwide  
7 Energy Solutions Action Plans.

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